

The Honorable Michael S. Regan  
Administrator, U.S. Environmental Protection Agency  
EPA Docket Center  
Air and Radiation Docket  
Mail Code 28221T  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460.

Dear Administrator Regan:

I represent the International Brotherhood of Teamsters Local No. 236. We are American workers involved in the production of fluorochemicals used as refrigerant gases, foam blowing agents, semiconductor etching fluids and other applications critical to the US economy. We are proud to be helping usher in the newest generation of chemicals that will benefit the environment, address climate change and preserve American leadership in this critical industry.

I am writing today to express a serious concern with one of the provisions of the Environmental Protection Agency's Notice of Proposed Rulemaking titled "Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program Under the American Innovation and Manufacturing Act," 86 Fed. Reg. 27,150 (May 19, 2021) (the "NPRM"). While establishing clear guidelines for phasing down the supply of bulk HFCs, the NPRM exempts from the AIM Act's phasedown HFCs entering the US in imported products. We believe this creates a loophole through which 10-20% of the HFC baseline can be imported, strongly disadvantaging domestic production plants in favor of those in foreign countries, particularly China.

Leaving imported products containing HFCs out of the phasedown runs counter to the very purpose of the AIM Act—promoting American Innovation and Manufacturing. HFC users, such as equipment manufacturers, will be given an opportunity to legally avoid the allowance distributions by shifting production of U.S.-bound goods to other countries and thus using HFCs

produced elsewhere. It is important to point out that The European Union realized this danger and included HFCs contained in imported products into the phasedown regime. Other countries may follow, and as they do they will see the U.S. as a large and attractive export market. The result would undermine the phasedown itself rather than encouraging an orderly transition to next-generation substitutes, jeopardizing the investments U.S. industry has made and is making. This concern is substantiated by facts - according to EPA's own 2019 greenhouse gas ("GHG") inventory report, HFCs imported in equipment increased from an average of 14 MMTEVe in 2011-13 to an average of 32 MMTEVe in 2017-2019. That is approximately 12% of the U.S. consumption baseline, which would eclipse the first AIM Act stepdown of 10% and which is expected to grow.

Giving HFCs contained in products a "free pass" will harm American jobs in the fluorochemical industry. We respectfully request that EPA reconsider its position.



Aaron Griggs  
Chief Steward  
International Brotherhood of Teamsters Local No. 236